

# Procurement 101

## *Purchase break-down by dollar amounts and type*

### **Any Item or Service on Contract:**

If a product or service is covered on UDOT agency or Statewide contracts, you have the authority to make this purchase on your own. Simply prepare a DO in FINET and place the order provided you have budget authorization. You can find out if what you need is on contract by visiting both of the following websites:

UDOT Agency Contracts: <https://app.udot.utah.gov/procurement/contracts>

State Co-op Contracts: <http://www.purchasing.utah.gov/statewidecontracts/>

### **Any non-contract purchase under \$1,000:**

If a product or service is not covered on UDOT agency or statewide contracts, you have the authority to make any purchase below \$1,000 using whatever method you choose, i.e. P-card, FINET PD, etc.

### **Any non-contract, Sole source purchase above \$1,000:**

If a product or service costing more than \$1,000 is not covered on UDOT agency or statewide contracts and is available only through one supplier, you must work with a Procurement Services purchasing agent. Submit an online requisition using Procurement Services On-line, and the purchasing agent you submit it to will obtain the approval you need to properly purchase the goods or service within State and Departmental guidelines.

### **Any non-contract purchase between \$1,000 & \$5,000:**

If a product or service costing more than \$1,000 but less than \$5,000 is not covered on UDOT agency or statewide contract, you have the authority to purchase what you need without going through Procurement Services. To do this, you must solicit quotes from at least two, preferably three, suppliers, and award the purchase to the lowest bidder meeting specs. You may either use your P-card for these purchases or generate a PD in Finet if the supplier prefers to receive a purchase order. Important note: save all documentation with these purchases, i.e. all quote information, any e-mail history, a copy of the purchase order etc.

### **Any non-contract purchases above \$5,000:**

If a product or service costs \$5,000 or more and is not covered on UDOT agency or statewide contracts, you must submit an online requisition to a Procurement Services purchasing agent using Procurement Services Online. The purchasing agent to whom you submit the requisition will purchase what you need following all necessary State and Departmental guidelines.

### **FYI: All non-contract purchases above \$30,000:**

It's important to know that all non-contract purchases above \$30,000 require additional steps in the purchasing process. For these purchases, you must still submit an online requisition to a Procurement Services purchasing agent using Procurement Services Online. At that time, however, the purchasing agent to whom you submit the requisition is required to work with a purchasing agent from the State Purchasing department. Plan ahead for these purchases to allow at least two to three weeks to be added to the process.

### **Use a P- Card to simplify your purchasing needs**

If you make a lot of purchases under \$5,000, using your State Purchasing Card (P-Card) can simplify the task in many ways. The State P-card program provides many benefits to you, to UDOT and to the supplier from whom you're purchasing by:

Providing an easy and efficient method for small dollar purchasing.

Paying suppliers within three business days.

Eliminating paperwork – no PO necessary – and no expense throughout the purchasing process.

Handling invoicing and payments electronically.

Reducing accounts payable invoices and automating postings to the general ledger.

Supplying consolidated management reports for tracking purposes.

Check out the on-line application, policies and procedures manual and other important documents, visit: <http://www.purchasing.utah.gov/>

You may also call the UDOT Liaison, Penni Taylor, or your State Liaison, Mark Parry, for more information.

Penni can be reached at (801) 965-3836 or by e-mail at <mailto:pennit@utah.gov>.

Mark can be reached at (801) 537-9243 or by e-mail <mailto:mparry@utah.gov>